Customs Duty on Aluminium Ingots

3616. SHRI ABANI ROY: Will the Minister of MINES be pleased to state:

(a) whether it is a fact that Customs Duty on Aluminium Ingots is 25 per cent basic + 16 per cent additional duty + 4 per cent special additional duty, because of which the landed price of imported metal is higher than the domestic sale price; and

(b) if so, what steps Government are taking to stop exploitation of domestic market by the primary producers?

THE MINISTER OF STATE IN THE MINISTRY OF MINES (SHRI JAYSINGRAO GAIKWAD PATIL): (a) and (b) Customs duty on aluminium ingots is 25 per cent basic + 16 per cent additional duty + 4 per cent special additional duty. There are no price controls on aluminium. Aluminium is kept under Open General Licence (OGL) category for import/ export. The prices of aluminium metal and products are determined by market forces.

Reasonable prices for Aluminium

3617. SHRI ABANI ROY: Will the Minister of MINES be pleased to state:

(a) whether two major producers of aluminum metal in the country are among the lowest cost producers of the metal in the world;

(b) if so, whether the sale price of aluminium metal in the country is much higher than the prevailing international price at London Metal Exchange, as a result of which aluminium utensils and pressure cookers, used largely by the poor people, have become costly and unaffordable; and

(c) if so, what steps Government propose to take to make aluminium metal available to the common man at reasonable price?

THE MINISTER OF STATE IN THE MINISTRY OF MINES (SHRI JAYSINGRAO GAIKWAD PATIL): (a) The cost of production of aluminium of the two major producers of aluminium in the country, HINDALCO and NALCO is comparable to that of the lowest cost producers of the metal in the world.

(b) and (c) Aluminium sector has been decontrolled and aluminium is in

the Open General Licence (OGL) category for import/export. The prices of aluminium/aluminium products are determined by market forces.

Legislation for mineral exploitation

3618. SHRI KRISHNA KUMAR BIRLA: Will the Minister of MINES be pleased to state:

(a) whether Government propose to bring forth a legislation to enable optimum exploitation of minerals in off-shore areas;

(b) if so, the facts and details in this regard;

(c) whether the matter was discussed in a conference of State Ministers of Mines and Geology at New Delhi, recently;

(d) if so, the details thereof; and

(e) the outcome of the discussions held?

THE MINISTER OF STATE IN THE MINISTRY OF MINES (SHRI JAYSINGRAO GAIKWAD PATIL): (a) and (b)Yes, Sir. The Government has prepared an Offshore Areas Mineral (Development and Regulation) Bill and the same is slated for introduction in the Lok Sabha.

(c) to (e) In the Conference of State Ministers of Mines & Geology held at New Delhi recently, the delegates were informed about Central Government's intention to enact a legislation for exploitation of mineral resources in the offshore areas. This matter was formally not on the agenda which was discussed.

NALCO exports at international prices

3619. SHRI ABANI ROY: Will the Minister of MINES be pleased to state:

(a) whether NALCO is exporting fifty per cent of its production at international prices prevailing on LME, which are much lower than the prices at which they are selling the metal in the country;

(b) if so, whether several secondary manufacturers have been repeatedly representing to Government for abolishing customs duty on import of aluminium, so that the primary manufacturers bring down the sale prices to a reasonable level; and

(c) if so, what steps Government propose to take to ensure sale of aluminium in country at International prices only?